

BILL NO. 96-

96-42

COUNTY COUNCIL

OF

HARFORD COUNTY, MARYLAND

BILL NO. 96- 42

Introduced by Council President Parrott at the request of the County Executive

Legislative Session Day No. 96- 42

Date: August 6, 1996

AN ORDINANCE approving and providing for a multi-year Installment Purchase Agreement by Harford County, Maryland to acquire the real property and improvements thereon in 84 acres of land located on Level Road, Churchville, Maryland from Paul Beatty Harlan, Jr., or any other owner thereof for a maximum purchase price of \$450,000.00; providing that the County's obligation to pay such purchase price and interest thereon shall be a full faith and credit general obligation of the County; providing for the levying of taxes for such payments; authorizing the County Executive to make modifications in such Agreement under certain circumstances; and providing for and determining various matters in connection therewith.

By the Council, August 6, 1996

Introduced, read first time, ordered posted and public hearing scheduled

on: September 3, 1996

at: 7:30 p.m.

By Order: James D. Vannoy, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on September 3, 1996, and concluded on September 3, 1996.

James D. Vannoy, Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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RECITALS

1
2 In accordance with the provisions of Section 524 of the
3 Charter of Harford County (the "Charter"), the Annual Budget and
4 Appropriation Ordinance of Harford County, Maryland (the "County")
5 the Budget for fiscal year 1997, Bill No. 96-20 As Amended (the
6 "Budget Ordinance") includes projects permitting the County to
7 acquire real estate located within the County for utilization by
8 the Department of Parks and Recreation, which Budget Ordinance was
9 adopted by the County Council of Harford County, Maryland (the
10 "County Council") as part of the Budget Ordinance, in accordance
11 with the Charter.

12 Section 520 of the Charter provides that "any contract, lease
13 or other obligation in excess of three thousand dollars (\$3,000)
14 requiring the payment of funds from the appropriations of a later
15 fiscal year shall be authorized by legislative act, and Section 524
16 of the Charter provides that all County indebtedness for a term in
17 excess of one year shall be on a serial maturity plan providing for
18 the maturity of the series in "consecutive annual installments, no
19 one of which shall be less than fifty percent of the amount of any
20 other installment of the series".

21 The County has determined to enter into an Installment
22 Purchase Agreement with Paul Beatty Harlan, Jr., or any other
23 person who is or becomes the owner of all or any portion of the
24 Land (hereinafter defined) prior to execution and delivery of such
25 Agreement, in order to acquire approximately 84 acres, more or
26 less, of land located on Level Road, Churchville, Maryland within

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1 the County for an aggregate purchase price not in excess of
2 \$450,000, plus interest thereon, upon the terms and conditions
3 hereinafter set forth.

4 NOW, THEREFORE:

5 SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF HARFORD
6 COUNTY, MARYLAND, That

7 (a) Harford County, Maryland (the "County") shall enter
8 into an Installment Purchase Agreement (the "Installment Purchase
9 Agreement") with Paul Beatty Harlan, Jr. and or any person who is
10 or becomes the owner of all or any portion of the Land (hereinafter
11 defined) prior to the execution and delivery of the Installment
12 Purchase Agreement (the "Seller") in order to acquire approximately
13 84 acres of land, more or less, located on Level Road, Churchville,
14 Maryland within the County (the "Land"), for an aggregate purchase
15 price not in excess of \$450,000 (the "Purchase Price"), plus
16 interest thereon as hereinafter provided;

17 (b) The Installment Purchase Agreement shall be in
18 substantially the form attached hereto as Exhibit A and made a part
19 hereof, and in such form the Installment Purchase Agreement is
20 hereby approved as to form and content. The Installment Purchase
21 Agreement shall be dated as of the date of its execution and
22 delivery by the County and the Seller (the "Closing Date");

23 (c) A portion of the Purchase Price, in the amount
24 determined as hereinafter provided, shall be paid in cash on the
25 Closing Date. The balance of the Purchase Price shall be paid to
26 the Seller in each year (not more frequently than semi-annually)

1 thereafter to and including a date not more than eleven (11) years
2 after the Closing Date. The dates on which each such installment
3 is payable shall be determined by the County Executive and the
4 Treasurer and shall be inserted in the form of the Installment
5 Purchase Agreement attached hereto as Exhibit A;

6 (d) Interest on the unpaid balance of the Purchase Price
7 shall accrue from the Closing Date and shall be payable at least
8 annually in each year, commencing on the first of such dates to
9 follow the Closing Date and continuing to and including a date not
10 more than 11 years after the Closing Date at an interest rate equal
11 to five and one-half percent (5.5%) per annum;

12 (e) The County's obligation to make payments of the
13 Purchase Price under the Installment Purchase Agreement and to pay
14 interest thereon is and shall be a general obligation of the County
15 and is and shall be made upon its full faith and credit.

16 SECTION 2. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
17 HARFORD COUNTY, MARYLAND,

18 That it is hereby found and determined that:

19 (a) The acquisition of the Land as set forth in
20 Section 1 of this Ordinance and in the form of the Installment
21 Purchase Agreement attached hereto as Exhibit A is in the best
22 interests of the County;

23 (b) The Installment Purchase Agreement is a contract
24 providing for the payment of funds at a time beyond the fiscal year
25 in which it is made and requires the payment of funds from
26 appropriations of later fiscal years;

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1 (c) Funds for the payment of the Purchase Price under
2 the Installment Purchase Agreement are included in the Budget
3 Ordinance, As Amended;

4 (d) The County shall acquire the Land;

5 (e) The Purchase Price is within the legal limitation on
6 the indebtedness of the County as set forth in Article 25A, § 5(P)
7 of the Annotated Code of Maryland;

8 (f) The cost of acquiring the Land is equal to the
9 Purchase Price;

10 (g) The only practical way to acquire the Land is by
11 private negotiated agreement between the County and the Seller.

12 SECTION 3. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
13 HARFORD COUNTY, MARYLAND, That the Installment Purchase Agreement
14 shall be signed by the County Executive of the County (the "County
15 Executive") by her manual signature, and the Installment Purchase
16 Agreement shall bear the corporate seal of the County, attested by
17 the manual signature of the Director of Administration of the
18 County (the "Director of Administration"). In the event that any
19 officer whose signature shall appear on the Installment Purchase
20 Agreement shall cease to be such officer before the delivery of the
21 Installment Purchase Agreement, such signature shall nevertheless
22 be valid and sufficient for all purposes, the same as if such
23 officer had remained in office until delivery.

24 SECTION 4. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
25 HARFORD COUNTY, MARYLAND, That the County Executive and the
26 Treasurer are hereby authorized, prior to execution and delivery of

1 the Installment Purchase Agreement, to make such changes or
2 modifications in the form of the Installment Purchase Agreement
3 attached hereto as Exhibit A as may be required or deemed
4 appropriate by them in order to accomplish the purpose of the
5 transaction (including, but not limited to, determining the portion
6 of the Purchase Price to be paid in cash on the Closing Date and
7 establishment of interest and principal payment dates in each year
8 that the Installment Purchase Agreement is outstanding) authorized
9 by this Ordinance; provided that such changes shall be within the
10 scope of the transaction authorized by this Ordinance and the
11 execution of the Installment Purchase Agreement by the County
12 Executive shall be conclusive evidence of the approval by the
13 County Executive of all changes or modifications in the form of the
14 Installment Purchase Agreement and shall thereupon become binding
15 upon the County in accordance with its terms, as authorized by
16 Section 524 of the Charter and the Authorizing Act (collectively,
17 the "Enabling Legislation"), and as provided for in this Ordinance.

18 SECTION 5. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
19 HARFORD COUNTY, MARYLAND, That the County Executive, the Director
20 of Administration, the Treasurer of the County and other officials
21 of the County are hereby authorized and empowered to do all such
22 acts and things and to execute, acknowledge, seal and deliver such
23 documents (including a Tax Certificate and Compliance Agreement)
24 and certificates as the County Executive may determine to be
25 necessary to carry out and comply with the provisions of this

1 Ordinance subject to the limitations set forth in the Enabling
2 Legislation and any limitations set forth in this Ordinance.

3 SECTION 6. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
4 HARFORD COUNTY, MARYLAND, That the Treasurer of the County is
5 hereby designated and appointed as registrar and paying agent for
6 the Installment Purchase Agreement (the "Registrar"). The
7 Registrar shall maintain, or cause to be maintained, books of the
8 County for the registration and transfer of ownership of the
9 Installment Purchase Agreement. In addition, the County may, from
10 time to time, designate and appoint the Department of the Treasury
11 of the County, any officer or employee of the County or one or more
12 banks, trust companies, corporations or other financial
13 institutions to act as a substitute or alternate registrar or
14 paying agent for the Installment Purchase Agreement, and any such
15 substitute or alternate shall be deemed to be the Registrar or an
16 alternate Registrar for all purposes specified in the resolution
17 appointing such substitute or alternate. Any such appointment
18 shall be made by the County Council by resolution and the exercise
19 of such power of appointment, no matter how often, shall not be an
20 exhaustion thereof.

21 SECTION 7. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
22 HARFORD COUNTY, MARYLAND, That for the purpose of paying the
23 installments of the Purchase Price when due and payable and the
24 interest on the unpaid portion of the Purchase Price when due and
25 payable, there is hereby levied, and there shall hereafter be
26 levied in each fiscal year that any portion of the Purchase Price

1 payable under the Installment Purchase Agreement remains
2 outstanding, *ad valorem* taxes on real and tangible personal
3 property and intangible property subject to taxation by the County,
4 without limitation of rate or amount, and, in addition, upon such
5 other intangible property as may be subject to taxation by the
6 County within limitations prescribed by law, in an amount
7 sufficient, together with the portion of the transfer tax imposed
8 on transfers of real property in Harford County which is dedicated
9 to agricultural land preservation and other available funds, to pay
10 any installment of the Purchase Price under the Installment
11 Purchase Agreement maturing during the succeeding year and to pay
12 the annual interest on the outstanding balance of the Purchase
13 Price until all of the Purchase Price under the Installment
14 Purchase Agreement and such interest have been paid in full; and
15 the full faith and credit and the unlimited taxing power of the
16 County are hereby irrevocably pledged to the punctual payment of
17 the Purchase Price under the Installment Purchase Agreement and the
18 interest on the unpaid balance of the Purchase Price as and when
19 the same respectively become due and payable.

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1 SECTION 8. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
2 HARFORD COUNTY, MARYLAND, That this Ordinance shall take effect
3 sixty (60) calendar days after it becomes law.

EFFECTIVE: November 8, 1996

TLMB\HARFORD CO. HARLAN\HARLAN.ORD

The Secretary of the Council does hereby
certify that fifteen (15) copies of this Bill
are immediately available for distribution to
the public and the press.


Acting Secretary

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HARFORD COUNTY BILL NO. 96-42(Brief Title) Installment Purchase Agreement - Harlan Property

is herewith submitted to the County Council of Harford County for enrollment as being the text as finally passed.

CERTIFIED TRUE AND CORRECT

ENROLLED

James D. Vannoy
Acting Secretary
of the Council

Barbara A. Parratt
President of the Council

Date September 3, 1996Date 9/3/96

BY THE COUNCIL

Read the third time.

Passed: LSD 96-24 (September 3, 1996)

Failed of Passage: _____

By Order

James D. Vannoy
Acting Secretary

Sealed with the County Seal and presented to the County Executive for approval this 5th day of September, 1996 at 3:00 p. m.

James D. Vannoy
Acting Secretary

BY THE EXECUTIVE

Julian M. Rehmann
COUNTY EXECUTIVE

APPROVED: Date September 9, 1996

BY THE COUNCIL

This Bill (No. 96-42), having been approved by the Executive and returned to the Council, becomes law on September 9, 1996.

James D. Vannoy
Acting Secretary

EFFECTIVE DATE: November 8, 1996